



**Agenda Item Number: 2006-2-8B**

## **BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS**

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**Meeting Date:** February 28, 2006

**Department:** County Manager **Staff Contact:** Daniel Gutiérrez, Economic Development  
Julie Baca, Deputy County Manager, Community Services  
Dan Mayfield, Deputy County Manager for Finance  
Hughes and Strumor Ltd., Inc., Bond Counsel

**TITLE:** Industrial Revenue Bond project for Verizon Wireless Inc.

**ACTION:** Motion to approve Administrative Resolution AR -2006 (Inducement Resolution) concerning industrial revenue bonds in connection with a proposed project for Verizon Inc.

### **SUMMARY:**

The Bernalillo County Office of Economic Development has received an application and project plan for Verizon Wireless. The company owns and operates one of the nation's largest wireless networks, serving over 49 million voice and data customers. The company seeks up to \$20,000,000 of non-taxable industrial revenue bonds pursuant to 4-59-1 et seq. NMSA 1978. Although headquartered in Bedminster, New Jersey, 2004 revenue in the State of New Mexico totaled \$250 million. Verizon Wireless intends to renovate the currently vacant 197,000 square foot building located at 7000 Central Avenue NW for their new inbound customer service call center. The bonds will be used to cover construction costs and acquire equipment.

Construction is estimated to be completed by November 2006. The construction of the facility will create 142 direct jobs and 495 indirect jobs for a total of 637 jobs during the construction term of the Project. During the current construction period, 100% of the sub-contractors will be local. The estimated construction cost is approximately \$20 million. Once operational, the company expects to have the capacity of up to 1400 employees during the course of the bond. Verizon Wireless anticipates that the call center will handle approximately 800,000 calls per month. Verizon are requesting 2 bonds: (1) An IRB requested by the Developer relating to the Project's real property and (2) an IRB requested by Verizon Wireless relating to the equipping of the project. Verizon Wireless and or an affiliate of the company will purchase the bonds. Environmental impacts are expected to be minimal, as the facility will not produce noise, air, or water pollution.

In accordance with the procedures specified in the County's Revenue Bond Project Evaluation Policies and Procedures (County Code, Article IV, Division 3), the County Manager submits the project plan to the Board for discussion and in conjunction with Bond Counsel also requests approval of an "Inducement Resolution" to publish a notice of intent to adopt an Ordinance authorizing the issuance and sale of Industrial Revenue Bonds for this project. The project plan is also submitted for a complete analysis by an independent consultant at the expense of the applicant. Approving the "Inducement Resolution" will expedite consideration of this project, but does not commit the Board of Commissioners to approve the project.

**ATTACHMENT:**

1. Administrative Resolution **AR -2005** (Inducement Resolution)

**FISCAL IMPACT**

None at this time.

**STAFF ANALYSIS SUMMARY**

**COUNTY MANAGER**

See Summary

**LEGAL**

Hughes & Strumor Ltd, Bond Counsel prepared the resolution.

**FINANCE**

**Budget** Approval of this action item, Inducement Resolution, is the first step in obtaining Industrial Revenue Bonds. Second step would be Board approval to adopt an Ordinance to Issue Industrial Revenue Bonds, which would be submitted to the Board at a later date. The County has no financial obligation for the industrial revenue bond indebtedness. If approved, the transaction will be disclosed in the County's financial statements. Maria Zuniga, Financial Projects Coordinator  
2/15/06